

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

5. Lease Serial No.

UTU-01195

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

UNIT #891008900A

8. Lease Name and Well No.

NBU 1022-6P-4

9. API Well No.

43-047-38527

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

SEC. 6, T10S, R22E

12. County or Parish

UINTAH

13. State

UTAH

1a. Type of Work: ☒ DRILL

☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other

☐ Single Zone ☒ Multiple Zone

2. Name of Operator

KERR McGEE OIL & GAS ONSHORE LP

3A. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

SESE 413'FSL, 281'FEL 630370X

39. 971853

At proposed prod. Zone

4425539Y

104.473394

14. Distance in miles and direction from nearest town or post office*

22.3 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)

281'

16. No. of Acres in lease

577.75

17. Spacing Unit dedicated to this well

20.00

18. Distance from proposed* location to nearest well, drilling, completed, applied for, on this lease, ft.

REFER TO
TOPO C

19. Proposed Depth

9090'

20. BLM/BIA Bond No. on file

BOND NO: WY-2357

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5163'INGRADED GL

22. Approximate date work will start*

23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature

Name (Printed/Typed)

SHEILA UPCHEGO

Date

8/17/2006

Title

REGULATORY ANALYST

Approved by (Signature)

Name (Printed/Typed)

BRADLEY G. HILL

Date

08-29-06

Title

Office

ENVIRONMENTAL MANAGER

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Federal Approval of this
Action is Necessary

AUG 28 2006

T10S, R22E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

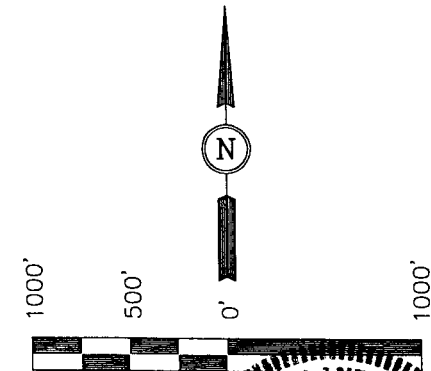
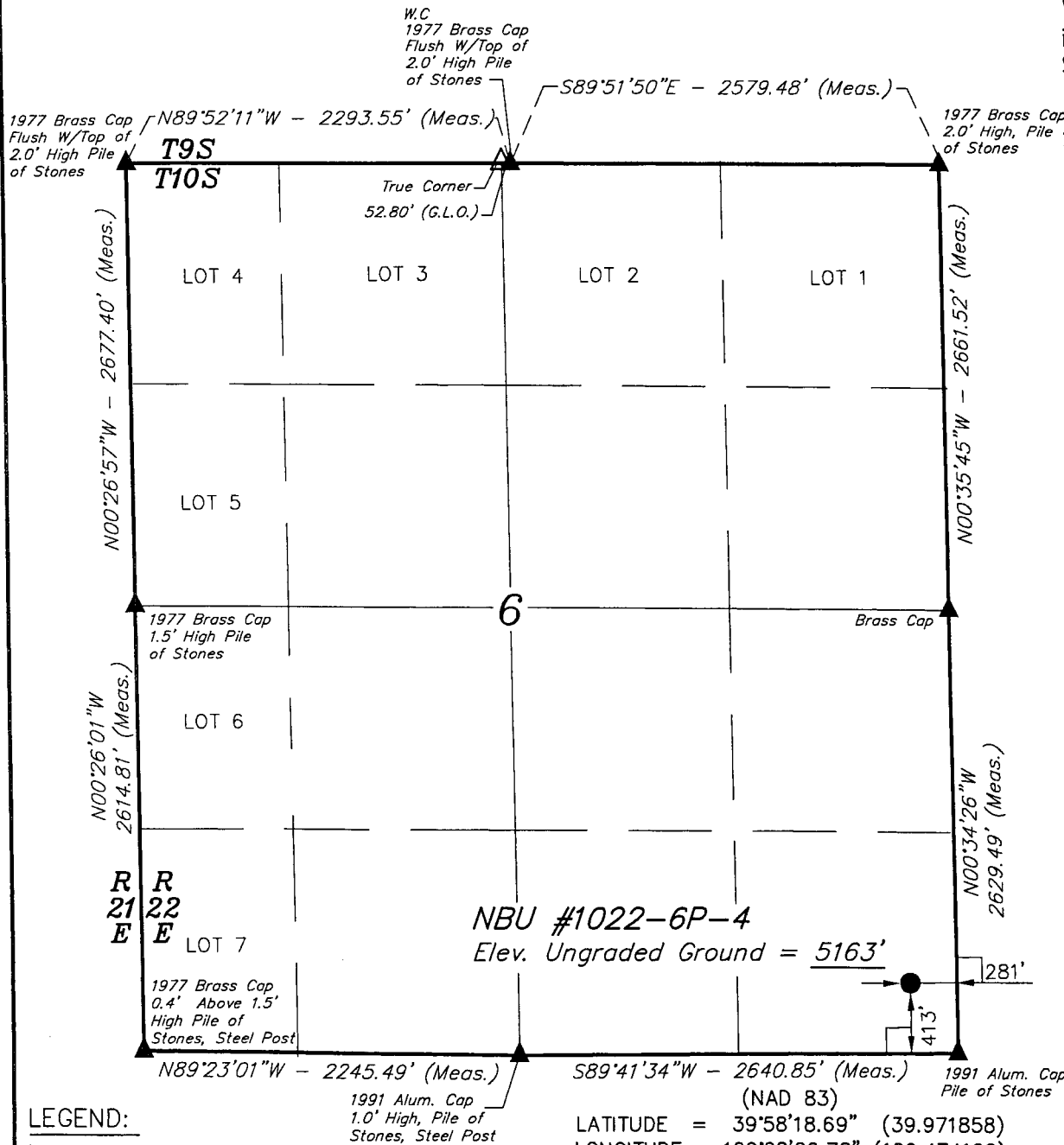
Well location, NBU #1022-6P-4, located as shown in the SE 1/4 SE 1/4 of Section 6, T10S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



REGISTERED LAND SURVEYOR
 No. 161319
 ROBERT L. MAY
 THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED. (Not Set On Ground)

LATITUDE = 39°58'18.69" (39.971858)
 LONGITUDE = 109°28'26.78" (109.474106)
 (NAD 83)
 LATITUDE = 39°58'18.81" (39.971892)
 LONGITUDE = 109°28'24.32" (109.473422)
 (NAD 27)

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 04-12-06	DATE DRAWN: 04-22-06
PARTY P.F. J.A. C.H.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	

NBU #1022-6P-4
SESE SEC 6-T10S-R22E
UINTAH COUNTY, UTAH
UTU-01195

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1218'
Top of Birds Nest Water	1558'
Mahogany	2188'
Wasatch	4442'
Mesaverde	7003'
MVU2	7923'
MVL1	8504'
TD	9090'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1218'
	Top of Birds Nest Water	1558'
	Mahogany	2188'
	Wasatch	4442'
Gas	Mesaverde	7003'
Gas	MVU2	7923'
Gas	MVL1	8504'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

4. **Proposed Casing & Cementing Program:**

Please see the Natural Buttes Unit SOP.

5. **Drilling Fluids Program:**

Please see the Natural Buttes Unit SOP.

6. **Evaluation Program:**

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9090' TD, approximately equals 5636 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3636 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please see Natural Buttes Unit SOP.

10. **Other Information:**

Please see Natural Buttes Unit SOP.



GEOLOGICAL		MECHANICAL	
LOGS	FORMATION	HOLE SIZE	CASING SIZE
TOPS	DEPTH		MUD WEIGHT
	40'		14"
Catch water sample, if possible, from 0 to 4,442'		12-1/4"	9-5/8", 32.3#, H-40, STC
Green River @ 1,218'			Air mist
Top of Birds Nest Water @ 1558'			
Preset f/ GL @ 2,060' MD			
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.			
Mahogany @ 2,188'			
Mud logging program TBD			
Open hole logging program f/ TD - surf csg			
Wasatch @ 4,442'		7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing
Mverde @ 7,003'			Water/Fresh Water Mud 8.3-11.5 ppg
MVU2 @ 7,923'			
MVL1 @ 8,504'			
TD @ 9,090'			Max anticipated Mud required 11.5 ppg



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2060	32.30	H-40	STC	0.66*****	1.42	4.36
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9090	11.60	I-80	LTC	2.26	1.17	2.18

- 1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft - partial evac gradient x TVD of next csg point))
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft - partial evac gradient x TD)
- (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing * Buoy. Fact. of water)
- MASP 3436 psi

***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	NOTE: If well will circulate water to surface, option 2 will be utilized						
	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,940'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	430	60%	11.00	3.38
	TAIL	5,150'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1440	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

DATE: _____

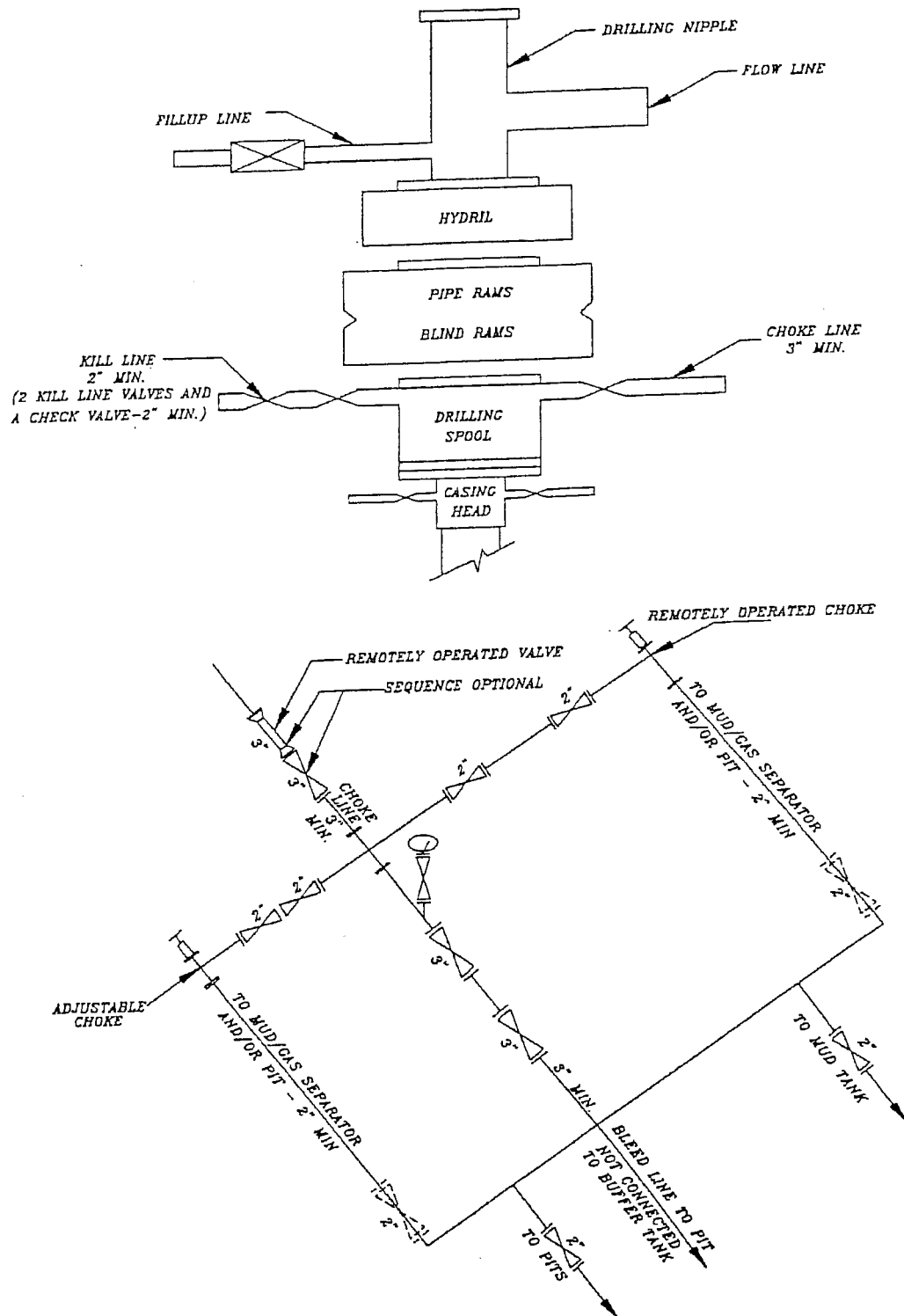
DRILLING SUPERINTENDENT:

Randy Bayne

DATE: _____

NBU1022-6P-4 APD.xls

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU #1022-6P-4
SWSWSW SEC 6-T10S-R22E
UINTAH COUNTY, UTAH
UTU-01195**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to the attached location directions.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. Planned Access Roads:

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

Approximately 360' +/- of access road is proposed. Please refer to the attached Topo Map B.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see the Natural Buttes Unit SOP.

Approximately 187' +/- of 4" low pressure pipeline is proposed to tie-in to an existing pipeline is proposed. Approximately 2800' +/- of 4" high pressure pipeline is proposed. The pipeline shall run into Sec. 7, T10S, R22E onto the state lease ML-23609. Refer to Topo Map D.

Variances to Best Management Practices (BMPs) Requested:

The pipeline shall be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface and the soil has a poor history for successful rehabilitation.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon Brown (2.5Y 6/2), a non-reflective earthtone.

5. Location and Type of Water Supply:

Please see the Natural Buttes SOP.

6. **Source of Construction Materials:**

Please see the Natural Buttes SOP.

7. **Methods of Handling Waste Materials:**

Please see the Natural Buttes SOP.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E (*Request is in lieu of filing Form 3160-5, after initial production*).

8. **Ancillary Facilities:**

Please see the Natural Buttes SOP.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A 20 mil reserve pit liner with felt will be used. As discussed at the on-site inspection.

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

10. **Plans for Reclamation of the Surface:**

Please see the Natural Buttes SOP.

When the pit is backfilled, the topsoil pile shall be spread on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The following seed mixture will be used to reclaim the surface for interim reclamation using appropriate reclamation methods. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for **drilled** seed are:

Galletta Grass

20 lbs.

Operator shall call the BLM for the seed mixture when final reclamation occurs.

11. Surface Ownership:

The well pad and access road are located on lands owned by:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

12. Other Information:

A Class III Archaeological Survey Report No. 06-165, completed on May 3, 2006 for the well location; also, a Archaeological Survey Report No. 06-362 completed on July 31, 2006 for the pipeline. Submitted along with the Application for Permit to Drill. The paleontological survey have been performed and will be filed when received by our office.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying with the boundaries of the unit.

13. Lessee's or Operator's Representative & Certification:

Sheila Ucphego
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435) 781-7018

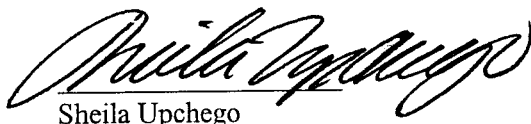
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #WY-2357.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.



Sheila Upchego

8/17/2006

Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-6P-4
SECTION 6, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 5.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 300' TO THE PROPOSED ACCESS ROAD TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 360' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 53.5 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-6P-4

LOCATED IN UINTAH COUNTY, UTAH
SECTION 6, T10S, R22E, S.L.B.&M.

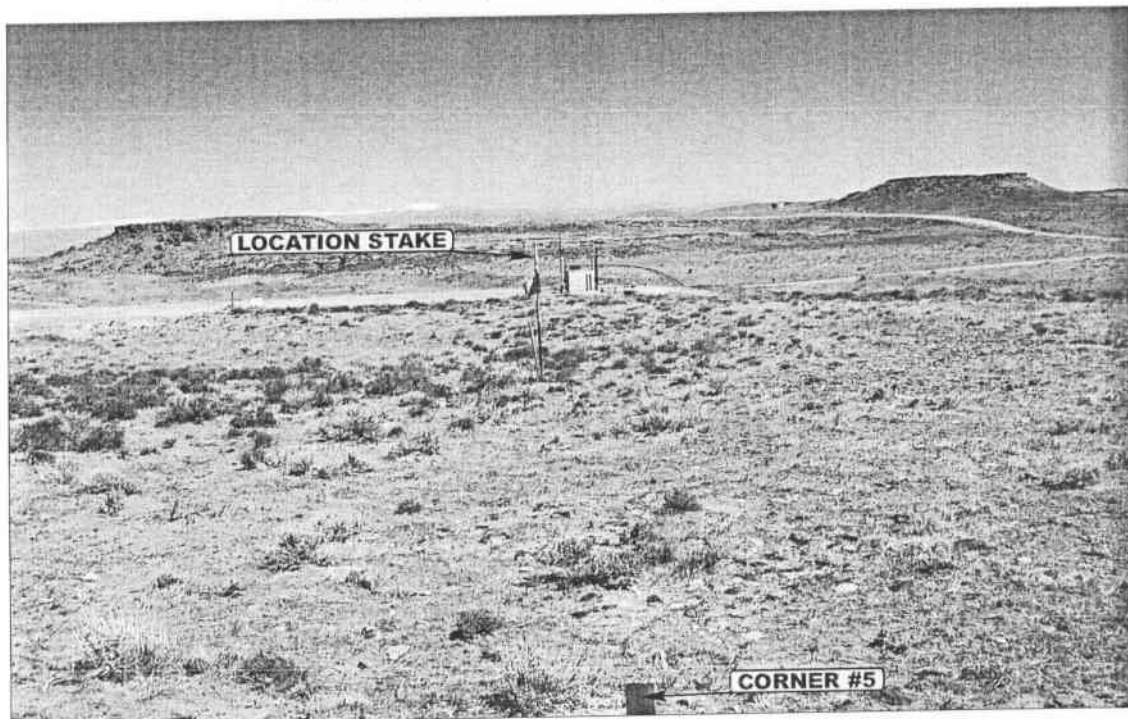


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

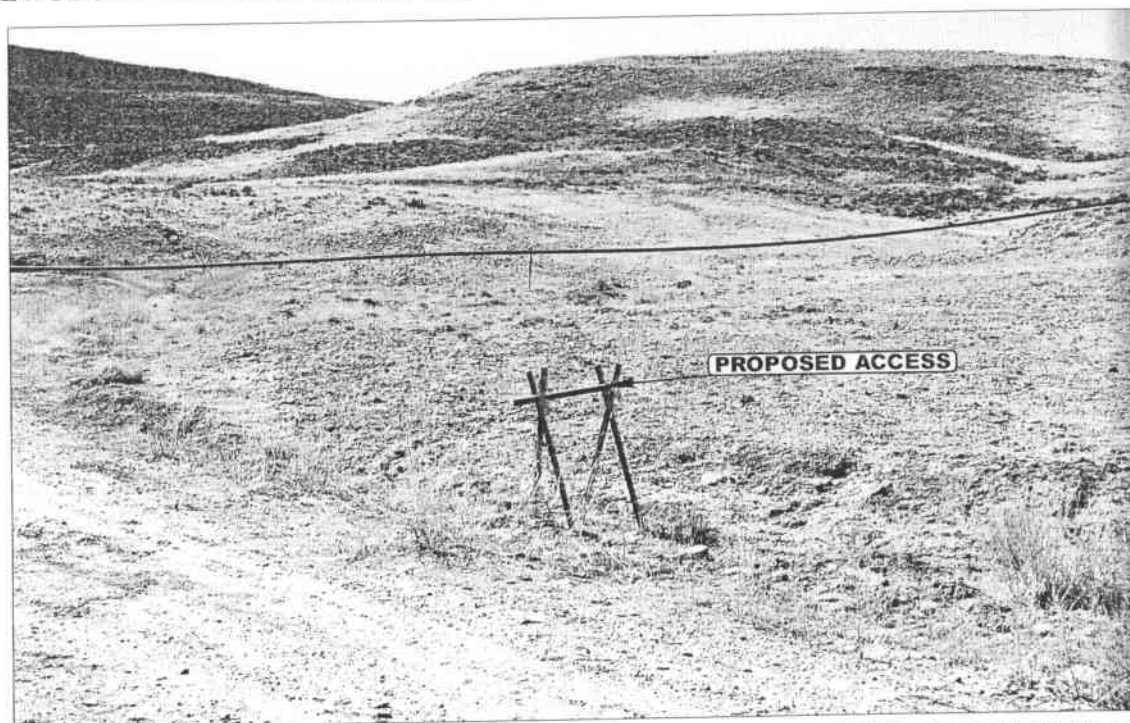


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

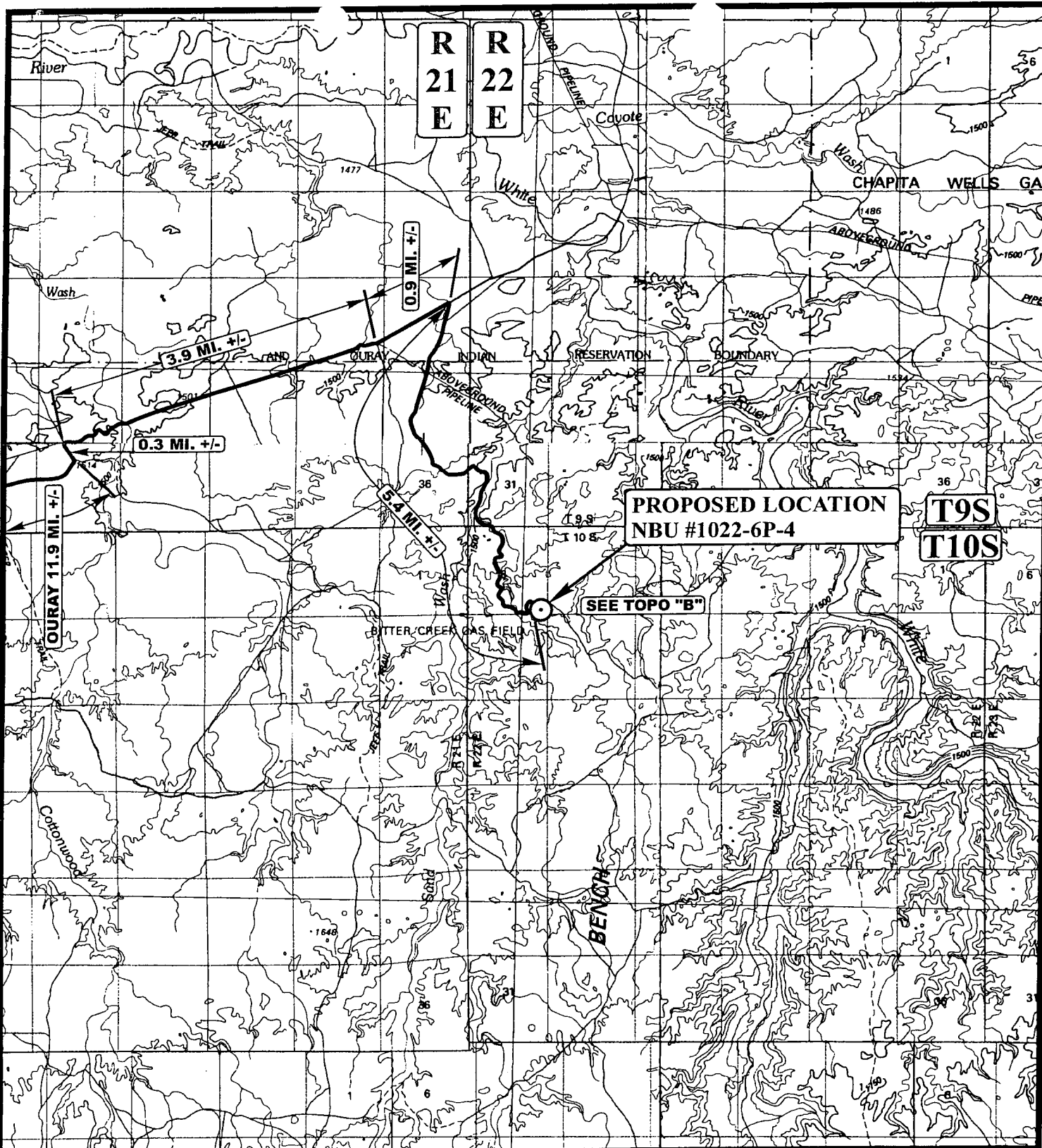
04 18 06
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

PROPOSED LOCATION

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-6P-4

SECTION 6, T10S, R22E, S.L.B.&M.

413' FSL 281' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

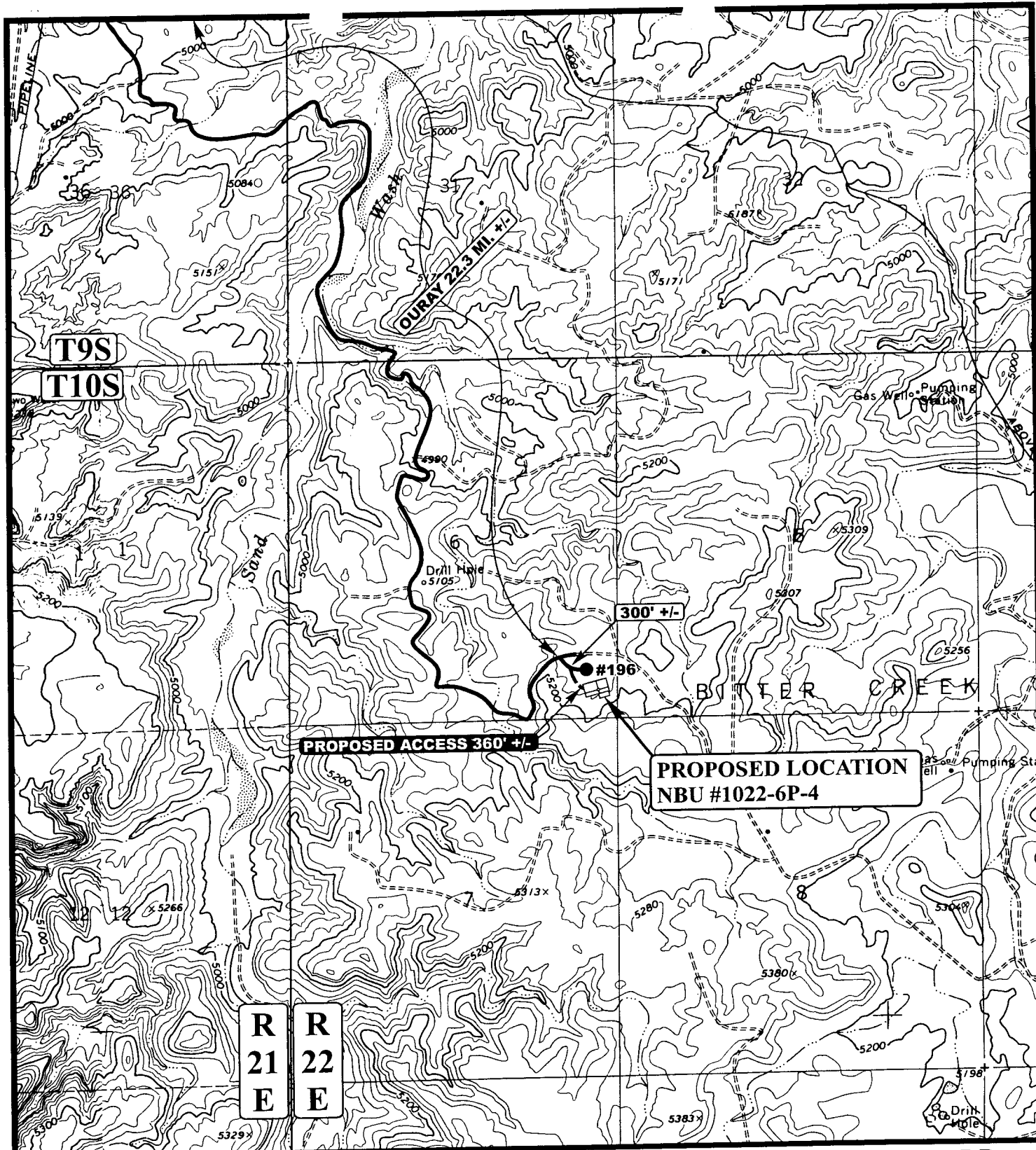
04 **18** **06**
 MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00





LEGEND:

————— EXISTING ROAD
 - - - - - PROPOSED ACCESS ROAD

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-6P-4
 SECTION 6, T10S, R22E, S.L.B.&M.
 413' FSL 281' FEL

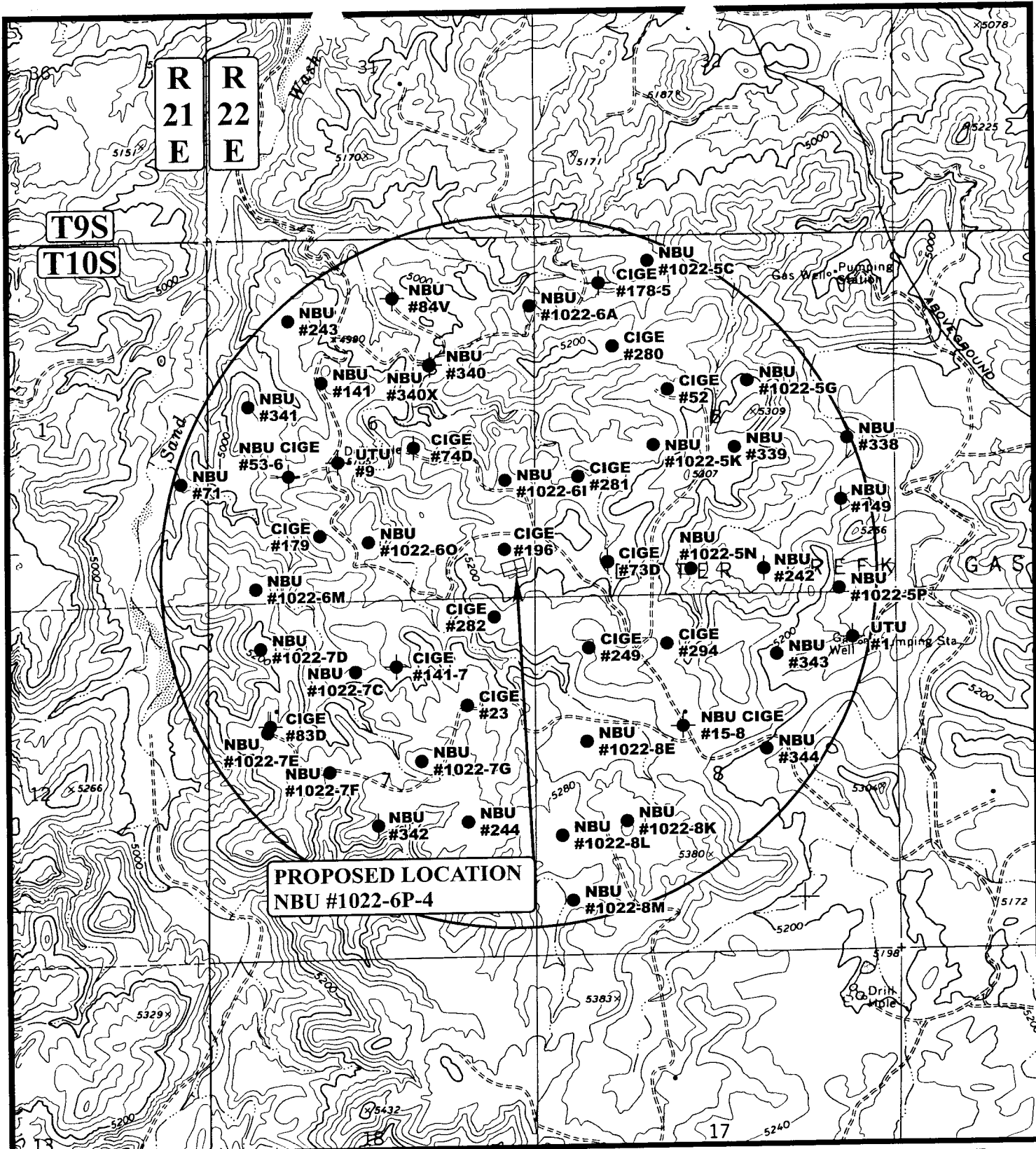


Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
 TOPO



LEGEND:

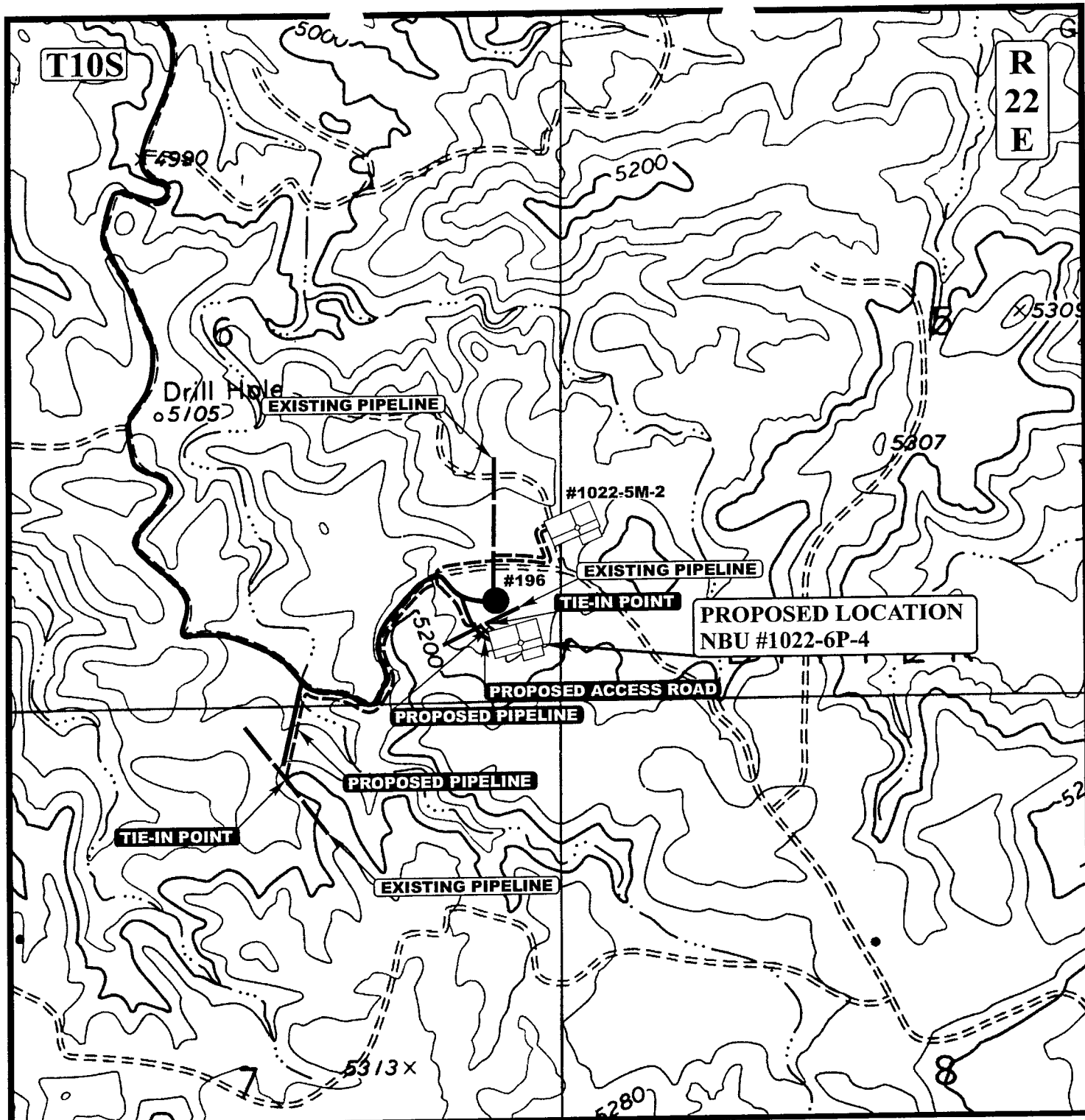
- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-6P-4
SECTION 6, T10S, R22E, S.L.B.&M.
413' FSL 281' FEL

U&Ls Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP 04 18 06
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00 **C TOPO**



APPROXIMATE TOTAL LOW-PRESSURE PIPELINE DISTANCE = 187' +/-

APPROXIMATE TOTAL HIGH-PRESSURE PIPELINE DISTANCE = 2,800' +/-

LEGEND:

———— PROPOSED ACCESS ROAD
 - - - - - EXISTING PIPELINE
 - - - - - PROPOSED PIPELINE

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-6P-4

SECTION 6, T10S, R22E, S.L.B.&M.

413' FSL 281' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
 MAP**

04 18 06
 MONTH DAY YEAR

SCALE: 1" = 1000'

DRAWN BY: C.P.

REVISED: 07-05-06

**D
 TOPO**

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-6P-4

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 6, T10S, R22E, S.L.B.&M.

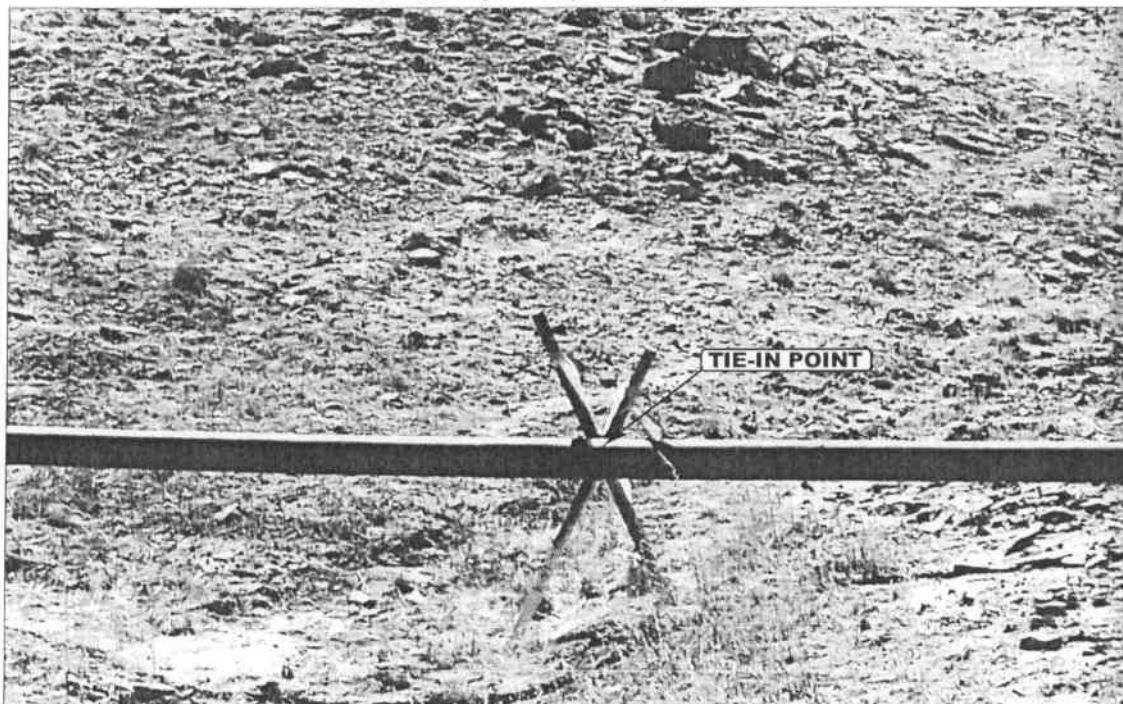


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: WESTERLY

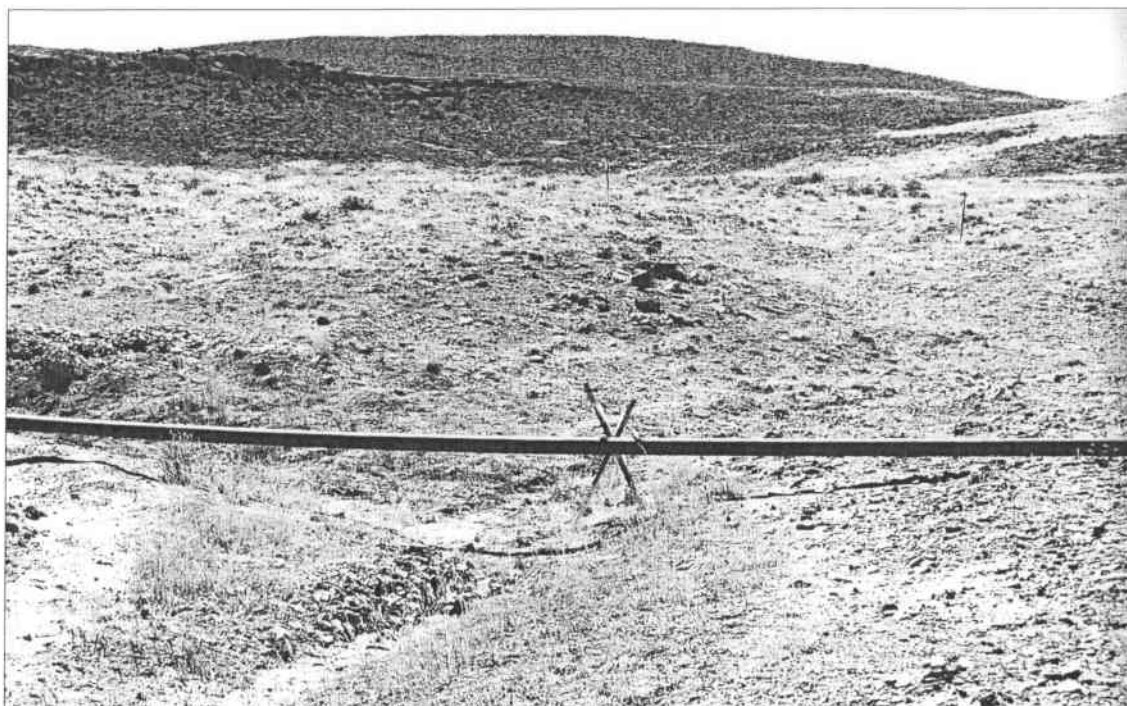


PHOTO: VIEW OF PIPELINE AT LOCATION

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

04 18 06
MONTH DAY YEAR

PHOTO

TAKEN BY: J.R.

DRAWN BY: C.P.

REVISED: 00-00-00

LOCATION LAYOUT FOR

NBU #1022-6P-4

SECTION 6, T10S, R22E, S.L.B.&M.

413' FSL 281' FEL

Install CMP
as Needed

C-6.6'
El. 68.9'

F-3.8'
El. 58.5'

Proposed Access
Road

CONSTRUCT
DIVERSION
DITCH

Sta. 3+50

Approx.
Toe of
Fill Slope

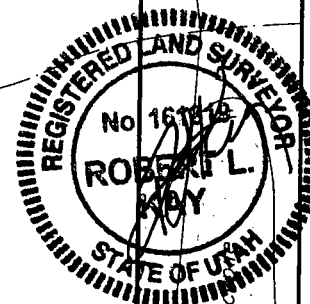
SCALE: 1" = 50'
DATE: 04-22-06
Drawn By: C.H.

Approx.
Top of
Cut Slope

Existing
Drainage

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



PIPE TUBS

PIPE RACKS

CATWALK

Pit Topsoil

C-3.1'
El. 65.4'

C-0.8'
El. 63.1'

F-3.5'
El. 58.8'

El. 72.5'
C-20.2'
(btm. pit)

FLARE PIT

Blopp Line

RESERVE PITS
(10' Deep)

Total Pit Capacity
W/2' of Freeboard
= 15,490 Bbls. ±
Total Pit Volume
= 4,280 Cu. Yds.

15' WIDE BENCH

1 1/2:1 Slope

El. 78.8'
C-26.5'
(btm. pit)

C-3.2'
El. 65.5'

C-3.7'
El. 66.0'

C-3.8'
El. 66.1'

F-0.9'
El. 61.4'

F-6.3'
El. 56.0'

TOILET

TRAILER

WATER
TANK

LIGHT PLANT

BOILER

COMPRESSOR

BOOSTER

PUMP HOUSE

TRASH

PROPANE
STORAGE

Sta. 0+50

Round Corners
as Needed

Sta. 0+00

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5163.1'
FINISHED GRADE ELEV. AT LOC. STAKE = 5162.3'

Ker. -McGee Oil & Gas Onshore LP

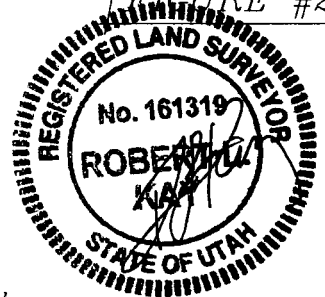
TYPICAL CROSS SECTIONS FOR

NBU #1022-6P-4

SECTION 6, T10S, R22E, S.L.B.&M.

413' FSL 281' FEL

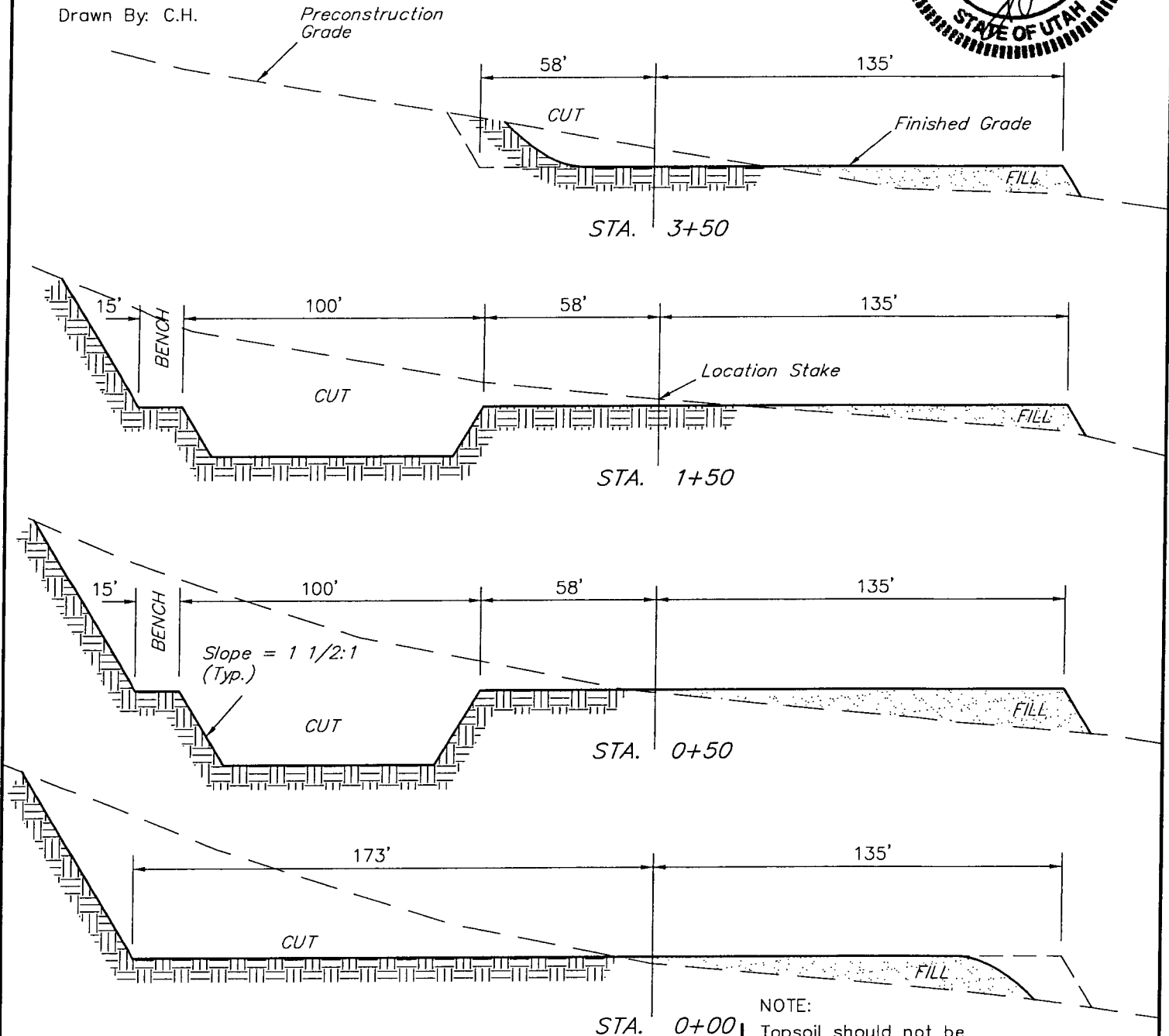
FIGURE #2



1" = 20'
X-Section
1" = 50' Scale

DATE: 04-22-06

Drawn By: C.H.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 2,000 Cu. Yds.
Remaining Location	= 14,240 Cu. Yds.
TOTAL CUT	= 16,240 CU.YDS.
FILL	= 7,280 CU.YDS.

NOTE:
Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

EXCESS MATERIAL	= 8,960 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,140 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 4,820 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/28/2006

API NO. ASSIGNED: 43-047-38527

WELL NAME: NBU 1022-6P-4

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SESE 06 100S 220E

SURFACE: 0413 FSL 0281 FEL

BOTTOM: 0413 FSL 0281 FEL

COUNTY: UINTAH

LATITUDE: 39.97185 LONGITUDE: -109.4734

UTM SURF EASTINGS: 630370 NORTHINGS: 4425539

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-01195

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WY-2357)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

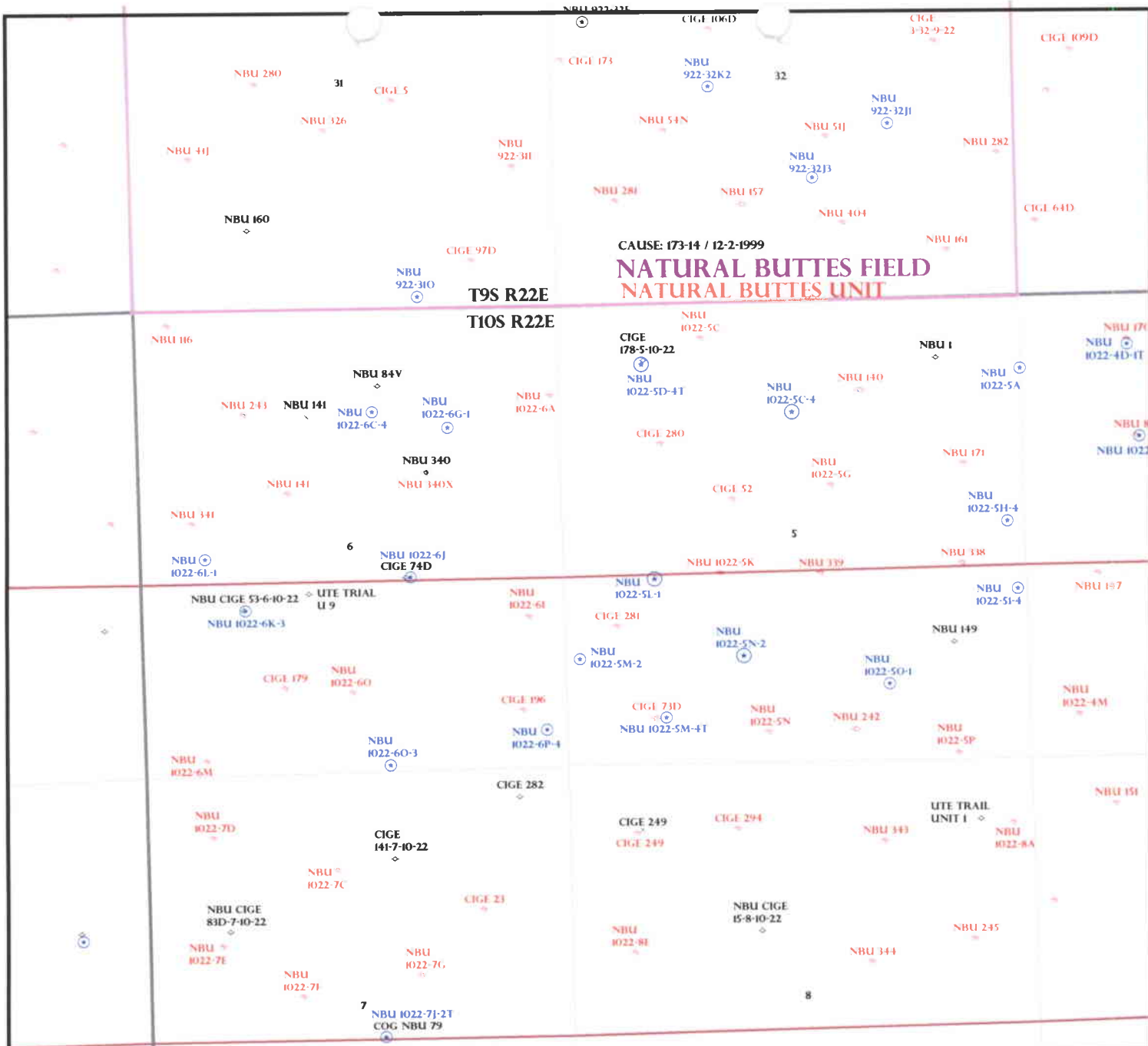
___ R649-2-3.
Unit: NATURAL BUTTES
___ R649-3-2. General
Siting: 460' From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 173.14
Eff Date: 12-2-1994
Siting: 460' to 460' from 190-5 Tract
___ R649-3-11. Directional Drill

COMMENTS:

See Separate GL

STIPULATIONS:

*1. Permit Approval
2- OIL SHALE*



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 5,6 T.10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

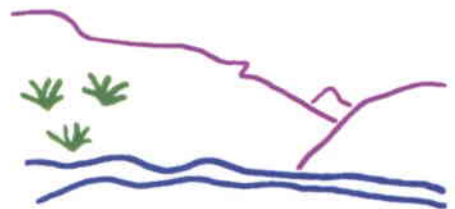
CAUSE: 173-14 / 12-2-1999

Field Status
 [Black Box] ABANDONED
 [Pink Box] ACTIVE
 [Light Blue Box] COMBINED
 [Purple Box] INACTIVE
 [Blue Box] PROPOSED
 [Light Green Box] STORAGE
 [White Box] TERMINATED

Unit Status
 [White Box] EXPLORATORY
 [Light Blue Box] GAS STORAGE
 [Light Green Box] NF PP OIL
 [Light Blue Box] NF SECONDARY
 [Light Green Box] PENDING
 [Green Box] PI OIL
 [Red Box] PP GAS
 [Red Box] PP GEOTHERML
 [Green Box] PP OIL
 [Blue Box] SECONDARY
 [Blue Box] TERMINATED

Wells Status

[Pink Star] GAS INJECTION
 [Pink Star] GAS STORAGE
 [X] LOCATION ABANDONED
 [X] NEW LOCATION
 [Diamond] PLUGGED & ABANDONED
 [Green Star] PRODUCING GAS
 [Green Star] PRODUCING OIL
 [Green Star] SHUT-IN GAS
 [Green Star] SHUT-IN OIL
 [X] TEMP. ABANDONED
 [Circle] TEST WELL
 [Blue Triangle] WATER INJECTION
 [Blue Triangle] WATER SUPPLY
 [Blue Triangle] WATER DISPOSAL
 [Blue Triangle] DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
 DATE: 29-AUGUST-2006

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160
(UT-922)

August 29, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Natural Buttes Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(PZ MesaVerde)		
43-047-38513	NBU 1022-3M-4T	Sec 03 T10S R22E 0639 FSL 0665 FWL
43-047-38514	NBU 1022-4D-1T	Sec 04 T10S R22E 0565 FNL 1162 FWL
43-047-38515	NBU 1022-41-4	Sec 04 T10S R22E 1656 FSL 0537 FEL
43-047-38516	NBU 1022-4E-1T	Sec 04 T10S R22E 1623 FNL 1289 FWL
43-047-38517	NBU 1022-4J-4T	Sec 04 T10S R22E 1385 FSL 1941 FEL
43-047-38511	NBU 922-34O-3	Sec 34 T09S R22E 0011 FSL 1433 FEL
43-047-38512	NBU 922-34D-3	Sec 34 T09S R22E 1217 FNL 0162 FWL
43-047-38525	NBU 1022-6G-1	Sec 06 T10S R22E 1372 FNL 1338 FEL
43-047-38526	NBU 1022-6L-1	Sec 06 T10S R22E 2451 FSL 0708 FWL
43-047-38527	NBU 1022-6P-4	Sec 06 T10S R22E 0413 FSL 0281 FEL
43-047-38528	NBU 1022-6C-4	Sec 06 T10S R22E 1178 FNL 2192 FEL
43-047-38518	NBU 1022-5O-1	Sec 05 T10S R22E 0873 FSL 1630 FEL
43-047-38519	NBU 1022-5M-2	Sec 05 T10S R22E 1219 FSL 0116 FWL
43-047-38520	NBU 1022-51-4	Sec 05 T10S R22E 1955 FSL 0139 FEL
43-047-38521	NBU 1022-5N-2	Sec 05 T10S R22E 1228 FSL 1980 FWL
43-047-38522	NBU 1022-5C-4	Sec 05 T10S R22E 1269 FNL 2606 FWL
43-047-38523	NBU 1022-5D-4T	Sec 05 T10S R22E 0696 FNL 0894 FWL
43-047-38524	NBU 1022-5L-1	Sec 05 T10S R22E 2132 FSL 0986 FWL

This office has no objection to permitting the wells at this time.



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 29, 2006

Kerr McGee Oil & Gas Onshore LP
1368 S 1200 E
Vernal, UT 84078

Re: Natural Buttes Unit 1022-6P-4 Well, 413' FSL, 281' FEL, SE SE, Sec. 6,
T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38527.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Kerr McGee Oil & Gas Onshore LP
Well Name & Number Natural Buttes Unit 1022-6P-4
API Number: 43-047-38527
Lease: UTU-01195
Location: SE SE **Sec.** 6 **T.** 10 South **R.** 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

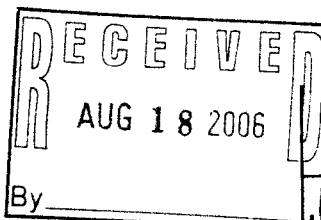
3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-01195
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERR MCGEE OIL & GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. UNIT #891008900A
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	8. Lease Name and Well No. NBU 1022-6P-4
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE 413'FSL, 281'FEL At proposed prod. Zone		9. API Well No. 43-047-38527
14. Distance in miles and direction from nearest town or post office* 22.3 MILES SOUTHEAST OF OURAY, UTAH		10. Field and Pool, or Exploratory NATURAL BUTTES
13. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 281'	16. No. of Acres in lease 577.75	11. Sec., T., R., M., or Blk. and Survey or Area SEC. 6, T10S, R22E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 9090'	12. County or Parish UINTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5163'INGRADED GL	20. BLM/BIA Bond No. on file BOND NO: WY-2357	13. State UTAH
22. Approximate date work will start*		17. Spacing Unit dedicated to this well 20.00
23. Estimated duration		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office. | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 	Name (Printed/Typed) SHEILA UPCHEGO	Date 9/6/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) JERRY KENNER	Date 4-12-2007
Title Assistant Field Manager Lands & Mineral Resources		Office VERNAL FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

RECEIVED

APR 27 2007

DEPT. OF OIL, GAS & MINING

4DOGm
NOTICE OF APPROVAL

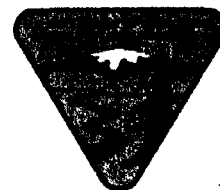
NOS 5/9/06
068M1681A

CONDITIONS OF APPROVAL ATTACHED



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Kerr-McGee Oil & Gas Onshore, LP Location: SESE, Sec. 6, T10S, R22E
Well No: NBU 1022-6P-4 Lease No: UTU-01195
API No: 43-047-38527 Agreement: Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	

Fax: 435-781-4410

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

- | | |
|--|--|
| Location Construction
(Notify NRS/Enviro Scientist) | - Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion
(Notify NRS/Enviro Scientist) | - Prior to moving on the drilling rig. |
| Spud Notice
(Notify Petroleum Engineer) | - Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing
(Notify Supervisory Petroleum Technician) | - Twenty-Four (24) hours prior to running casing and cementing all casing strings. |
| BOP & Related Equipment Tests
(Notify Supervisory Petroleum Technician) | - Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice
(Notify Petroleum Engineer) | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

General Surface COAs

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer AO. A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

Specific Surface COAs

- Paint all facilities Fuller O'Brian color Carlsbad Canyon (2.5Y 6/2). Any paint brand may be used provided the colors match.
- The authorized officer may prohibit surface disturbing activities during wet and muddy periods to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- The seed mix for this location shall be:

Galleta grass	<i>Hilaria jamesii</i>	20 lbs. /acre
<ul style="list-style-type: none">▪ All pounds are in pure live seed.▪ Reseeding may be required if first seeding is not successful.		

- The topsoil from the reserve pit should be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding should take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the resspreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.
- A cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment BOPE shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources such as Gilsonite, tar sands, oil shale, trona, etc. to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth from KB or GL of encounter, vertical footage of the encounter

and, the name of the person making the report along with a telephone number shall the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log CBL will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" Oil and Gas Operations Report OGOR starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 303 231-3650 for reporting information.
- Shall the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location ¼¼, Sec., Twn, Rng, and P.M..
 - Date well was placed in a producing status date of first production for which royalty will be paid.
 - The nature of the well's production, i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons.
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees NTL 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events fires, accidents, blowouts, spills, discharges as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" BLM Form 3160-4 shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include

deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples cuttings, fluid, and/or gas shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" Form BLM 3160-5 must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

UTU-01195

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-6P-4

9. API Well No.

4304738527

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE/SE SEC. 6, T10S, R22E 413'FSL, 281'FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other REQUESTS TO CHANGE MUD WT
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION TO CHANGE THE MUD WEIGHT TO FRESH WATER
MUD WITH 0-8% BIO DIESEL.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

RECEIVED

JUL 3 1 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

July 24, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738221	BONANZA 1023-8B	NWNE	8	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
<u>A</u>	99999	<u>16292</u>	<u>7/31/2007</u>		<u>8/9/07</u>	
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> SPUD WELL LOCATION 07/31/2007 AT 0900 HRS.						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738158	NBU1022-6J	NWSE	6	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	<u>7/31/2007</u>		<u>8/9/07</u>	
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> SPUD WELL LOCATION ON 07/31/2007 AT 0700 HRS.						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738527	NBU 1022-6P-4	SESE	6	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	<u>7/31/2007</u>		<u>8/9/07</u>	
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> SPUD WELL LOCATION ON 07/31/2007 AT 1400 HRS						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

To: FAIRLIE RUSSELL From: SHEILA UPCHEGO
(5/2000) Co./Dept. U00000 Co. KM6
Phone (301) 538-5330 Phone (435) 781-7024
Fax # (301) 359-3940 Fax # (435) 781-7094

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

8/1/2007

Title

RECEIVED

Date

AUG 01 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

UTU-01195

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-6P-4

9. API Well No.

4304738527

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE/SE SEC. 6, T10S, R22E 413'FSL, 281'FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other WELL SPUD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE
10 PIPE. CMT W/28 SX READY MIX

SPUD WELL LOCATION ON 07/31/2007 AT 1400 HRS.

RECEIVED

AUG 06 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA DPCHEGO

Signature

Title

SENIOR LAND ADMIN SPECIALIST

Date

August 1, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

435-781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**413' FSL, 281' FEL
SESE, SEC 6-T10S-R22E**

5. Lease Serial No.

UTU-01195

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**UNIT #891008900A
NATURAL BUTTES UNIT**

8. Well Name and No.

NBU 1022-6P-4

9. API Well No.

4304738527

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SET SURF
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU BILL MARTIN JR. AIR RIG ON 8/11/07. DRILLED 12 1/4" HOLE TO 2380'. RAN 9 5/8 51JTS LF 32.3# H-40 AND 10JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/ 320SX PREM CLASS 6 @ 15.8 PPG 1.15 YIELD. TAILED CMT W/ 130SX PREM CLASS 6 @ 15.8 PPG. 1.15 YIELD. NO RETURNS TO PIT. TOP OUT W/ 250SX PREM CLASS 6 @ 15.8 PPG 1.15 YIELD. DOWN BACK SIDE. GOOD CMT TO SURFACE HOLE STAYED FULL. WORT.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Sheila Upchego

Date

August 16, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**RECEIVED
AUG 20 2007**

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

435-781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

413'FSL-281'FEL

SESE SEC 6-T10S-R22E

5. Lease Serial No.

UTU 01195

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT 891008900A

NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-6P-4

9. API Well No.

4304738527

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other FINAL DRILLING OPERATIONS
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

FINISHED DRILLING FROM 8937 TO 9072 ON 9/25/2005. RAN 4.1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/410 PREM LITE II @ 11.8 PPG 2.52 YLD. TAILED W/1225 SX 50/50 PREM POZ @ 14.3 PPG 1.31 YLD DISPLACE 139, 19 BBLS BACK TO PIT, BUMP PLUG @ 605 PSI HELD, RIG DOWN BJ, NIPPLE DOWN BOP, CLEAN PITS. RELEASE RIG 69 09/26/2007 @ 01:00 HRS.

RECEIVED

OCT 24 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

September 26, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE/SE SEC. 6, T10S, R22E 413'FSL, 281'FEL

5. Lease Serial No.

UTU-01195

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A

NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-6P-4

9. API Well No.

4304738527

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PRODUCTION START-UP
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 12/06/2007 AT 4:00 PM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED

DEC 14 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

December 11, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Anadarko Petroleum Corporation
1368 S. 1200 East
Vernal, UT 84078

CHRONOLOGICAL WELL HISTORY

NBU 1022-6P-4

SESE, SEC. 6, T10S, R22E
UINTAH COUNTY, UT

DATE	ACTIVITY	STATUS
07/03/07	LOCATION STARTED	PIONEER 69
07/30/07	LOCATION COMPLETED	PIONEER 69 P/L IN, WOBR
07/31/07	SET CONDUCTOR	PIONEER 69 WOAR
08/11/07	SET AIR RIG 9 5/8" @2350'	PIONEER 69 WORT
09/14/07	TD: 2380' Csg. 9 5/8" @ 2363' MW: 8.4 SD: 9/X/07 DSS: 0 Move rig. Hydraulics to raise sub not working. Fixing hydraulics and RURT @ report time.	
09/17/07	TD: 4748' Csg. 9 5/8" @ 2363' MW: 9.3 SD: 9/15/07 DSS: 2 RURT. NU and test BOPE. PU DS. Drill cmt and FE. Rotary spud @ 1430 on 9/15/07. Drill f/ 2380'-4748'. DA @ report time.	
09/18/07	TD: 5950' Csg. 9 5/8" @ 2363' MW: 9.3 SD: 9/15/07 DSS: 3 Drill f/ 4748'-5065'. Lost 280 bbls. Build vol and add LCM. Drill to 5950'. DA @ report time.	
09/19/07	TD: 6583' Csg. 9 5/8" @ 2363' MW: 9.7 SD: 9/15/07 DSS: 4 Drill f/ 5950'-6583'. DA @ report time.	
09/20/07	TD: 7249' Csg. 9 5/8" @ 2363' MW: 10.7 SD: 9/15/07 DSS: 5 Drill f/ 6583'-7235'. Lost 180 bbls of mud. Build volume and mix LCM. Drill to 7249'. DA @ report time.	
09/21/07	TD: 7640' Csg. 9 5/8" @ 2363' MW: 10.7 SD: 9/15/07 DSS: 6 Drill f/ 7249'-7375'. TFNB. Drill to 7640'. DA @ report time.	
09/24/07	TD: 8937' Csg. 9 5/8" @ 2363' MW: 12.0 SD: 9/15/07 DSS: 9 Drill f/ 7640'-8515'. TFNB. @ 2300' well started to flow, TIH, C&C hole to 12# mud. TFNB. Drill 8515'-8937' DA @ report time.	
09/25/07	TD: 9072' Csg. 9 5/8" @ 2363' MW: 12.3 SD: 9/15/07 DSS: 10 Drill f/ 8937'-9072'. CCH and short trip. LDDP and run logs to TD. Logging up @ report time.	
09/26/07	TD: 9072' Csg. 9 5/8" @ 2363' MW: 12.3 SD: 9/15/07 DSS: 11 Finish logs. Run and cmt 4.5" prod csg. Land hanger and ND. Rls rig @ 0100 hrs on 9/26/07. RDRT @ report time.	
11/14/07	MIRIG Days On Completion: 1	

Remarks: 7:AM HSM. ROAD RIG TO LOC. RU RIG SPOT EQUIP. ND WELLHEAD. NU BOP. PU 37/8 MILL. RIH , TALLING & PU TBG. 287 JTS IN WELL, TAG PBTD @ 9019'. REV CIR WELL, 60 BBLS. POOH LD 30 JTS TBG. SWI.

11/15/07

Prep to Frac

Days On Completion: 2

Remarks: 7:AM HSM. FINISH POOH W/ 23/8" TBG & MILL. ND BOP, NU FRAC VALVES. RU CUTTERS. RUN CBL. TAG @ 9003' WLM. LOG TO SURF. RU QUICK TEST. PRES TEST TO 7500 PSI, HELD. BLED PRES. RIH & PERF 8912'-8915', 8960-8967', 4SPF. 3 3/3" GUNS. 40 TOTAL HOLES. SWI.

11/16/07

STANBY

Days On Completion: 3

Remarks: STANDBY. NO REPORT. FRAC MONDAY 11/19/2007

11/19/07

FRAC

Days On Completion: 6

Remarks: 6:00 AM HSM. MIRU HALLIBURTON & CUTTERS TO FRAC & PERFORATE & DELSCO TO DEFIT. PRESSURE TEST PUMPS & LINES TO 8,000 PSI. GOOD TEST.

STG 1) WHP 1,442 PSI, BRK 3,459 PSI, @ 3.0 BPM, ISIP 2,379 PSI, FG. .71 PUMP 100 BBLS @ 39.8 BPM @ 4,300 PSI = 40 OF 40 HOLES OPEN MP 4,377 PSI, MR 40.4 BPM, AP 3,640 PSI, AR 36.1 BPM, ISIP 2,721 PSI, NPI 342 PSI, PMP 1,012 BBLS SLICK WATER & 34,000 LBS 30/50 SAND. LAST 40% OF SAND WAS SAND WEDGE

STG 2) COULD NOT GET WIRE LINE THROUGH BOTTOM FRAC VALVE. WORKED ON VALVE FROM 8:00 AM TO 2:00 PM COULD NOT GET VALVE TO FULL OPEN. RIG DOWN HALLIBURTON & CUTTERS OFF WELL. TURN WELL OVER TO FLOWBACK CREW. START FLOWING WELL BACK SDFN.

11/20/07

STANDY

Days On Completion: 7

Remarks: RIG ON STAND BY.

11/21/07

KILL WELL

Days On Completion: 8

Remarks: 7:00 AM. HSM. WELL HAS BEEN FLOWING ON A 20 CHOKE SINCE 2:00 PM ON 11/19/07 WATER PRODUCTION DOWN TO 13 BBLS AN HOUR 500 PSI ON 20 CHOKE. PUMP 110 BBLS OF BRINE WELL DEAD. CHANGE OUT FRAC VALVES. MIRU CUTTERS TO PERFORATE.

STG 2) RIH W 3 3/8" EXP GNS, 23 GRM, .36 HOLES 90 DEG PHASING. SET 8K BAKER CBP @ 8,730' & PERF 8,698' - 8,700' 4 SPF, 8,659' - 62' 4 SPF, 8,582' - 85' 4 SPF, 8,510' - 13' 4 SPF, 44 HOLES. POOH W/ WIRE LINE. SWI SDF HOLIDAY.

11/26/07

FRAC

Days On Completion: 13

Remarks: 6:30 AM. HSM. MIRU HALIBURTON & CUTTERS.

STG 2) WHP 2,000 PSI, BRK 3,108 PSI, @ 5.0 BPM, ISIP 2,952 PSI, FG. .79 PUMP 100 BBLS @ 48.3 BPM @ 4,050 PSI = 44 OF 44 HOLES OPEN MP 5,718 PSI, MR 52.1 BPM, AP 4,290 PSI, AR 50.7 BPM, ISIP 2,672 PSI, FG .76 NPI -280 PSI, PMP 3,329 BBLS SLICK WATER & 118,804 LBS 30/50 SAND. LAST 40% OF SAND WAS SAND WEDGE

STG 3) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES 90 DEG PHASING. SET 8K BAKER CBP @ 8,448' PERF 8,415' - 18' 4 SPF, 8,346' - 51' 4 SPF, 8,313' - 16' 4 SPF, 44 HOLES.

WHP 0 PSI, BRK 3,954 PSI, @ 8.0 BPM, ISIP 2,855 PSI, FG .79 PUMP 100 BBLS @ 51.7 BPM @ 4,600 PSI = 38 OF 44 HOLES OPEN MP 5,211 PSI, MR 51.8 BPM, AP 4,265 PSI, AR 48.7 BPM, ISIP 2,885 PSI, FG .79 NPI 30 PSI, PMP 2,080 BBLS SLICK WATER & 78,478 LBS 30/50 SAND. LAST 40% OF SAND WAS SAND WEDGE

STG 4) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES 90 DEG PHASING. SET 8K BAKER CBP @ 7,622' & PERF 7,587' - 92' 4 SPF, 20 HOLES FOR A DFIT. BRK @ 3,420 PSI @ 1.6 BPM, PUMP 24 BBLS @ 5.0 BPM @ 2,050 PSI. ISIP 1,844 PSI, FG .69 5 MINUTE 1,614 PSI, 10 MINUTE 1,573 PSI, 15 MINUTE 1,549 PSI. SWI SDFN

11/27/07

FRAC

Days On Completion: 14

Remarks: 6:00 AM. HSM. MIRU DELSCO TO POOH W/ BOTTOM HOLE GUAGES. POOH W/ SLICK LINE.

STG 4) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING PERF 7,488' - 91' 4 SPF, 7,426' - 30' 3 SPF, TOTAL OF 44 HOLES PRESSURE TEST PUMPS & LINES TO 8,000 PSI. WHP 1,130 PSI, BRK 2,775 PSI, @ 8.0 BPM, ISIP 1,775 PSI, FG .68 PUMP 100 BBLS @ 49.5 BPM @ 3,550 PSI = 37 OF 44 HOLES OPEN MP 4,530 PSI, MR 50.9 BPM, AP 3,536 PSI, AR 48.8 BPM, ISIP 2,376 PSI, FG .76 NPI 601 PSI, PMP 2,012 BBLS SLICK WATER & 75,809 LBS 30/50 SAND. LAST 40% OF SAND WAS SAND WEDGE

STG 5) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES 120 DEG PHASING. SET 8K BAKER CBP @ 7,328' & PERF 7,044' - 48' 3 SPF, 12 HOLES FOR A DFIT. RIH W/ BOTTOM HOLE PRESSURE GUAGES & SET @ 7,034' BRK @ 2,349 PSI @ 2.4 BPM, PUMP 24 BBLS @ 5.2 BPM @ 2,130 PSI. ISIP 1,980 PSI, FG .73 5 MINUTE 1,459 PSI, 10 MINUTE 1,151 PSI, 15 MINUTE 1,053 PSI. MONITOR PRESSURE FOR 6 HOURS & PULL DOWN HOLE GAUGES. RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING PERF 7,293' - 98' 4 SPF, 7,223' - 26' 4 SPF, 44 HOLES WHP 234 PSI, BRK 2,514 PSI, @ 9.0 BPM, ISIP 2,008 PSI, FG .73 PUMP 100 BBLS @ 50.4 BPM @ 4,200 PSI = 44 OF 44 HOLES OPEN MP 4,983 PSI, MR 55.4 BPM, AP 3,255 PSI, AR 50.0 BPM, ISIP 2,139 PSI, FG .75 NPI 131 PSI, PMP 2,173 BBLS SLICK WATER & 83,479 LBS 30/50 SAND. LAST 40% OF SAND WAS SAND WEDGE

STG 6) RIH W/ 3 1/8" PORTED GNS, 12 GRM, .34 HOLES 90 DEG PHASING. SET 8K BAKER CBP @ 6,782' & PERF 6,723' - 29' 4 SPF, 24 HOLES FOR A DFIT. RIH W/ BOTTOM HOLE PRESSURE GUAGES & SET @ 6,713' BRK @ 3,329 PSI @ 3.2 BPM, PUMP 24 BBLS @ 5.2 BPM @ 2,100 PSI. ISIP 1,862 PSI, FG .73 5 MINUTE 1,665 PSI, 10 MINUTE 1,584 PSI, 15 MINUTE 1,527 PSI. MONITOR PRESSURE OVER NITE. SWI SDFN

11/28/07

FRAC

Days On Completion: 15

Remarks: 7:00 AM. HSM MIRU DELSCO TO POOH W/ BOTTOM HOLE GUAGES. POOH W/ SLICK LINE.

STG 6) RIH W/ 3 1/8" PORTED GNS, 12 GRM, .34 HOLES, 90 DEG PHASING PERF 6,748' - 52' 4 SPF, TOTAL OF 40 HOLES PRESSURE TEST PUMPS & LINES TO 8,000 PSI. WHP 320 PSI, BRK 2,069 PSI, @ 8.9 BPM, ISIP 1,785 PSI, FG .71 PUMP 100 BBLS @ 40.0 BPM @ 3,000 PSI = 35 OF 40 HOLES OPEN MP 3,880 PSI, MR 41.0 BPM, AP 3,103 PSI, AR 39.8 BPM, ISIP 2,249 PSI, FG .78 NPI 464 PSI, PMP 589 BBLS SLICK WATER & 19,413 LBS 30/50 SAND. LAST 40% OF SAND WAS SAND WEDGE

STG 7) RIH W/ 3 1/8" EXP GNS, 12 GRM, .34 HOLES 90 DEG PHASING. SET 8K BAKER CBP @ 5,612' PERF 5,577' - 82' 4 SPF, 5,225' - 30' 4 SPF, 40 HOLES. WHP 0 PSI, BRK 3,954 PSI, @ 8.0 BPM, ISIP 2,855 PSI, FG .79 PUMP 100 BBLS @ 51.7 BPM @ 4,600 PSI = 38 OF 44 HOLES OPEN MP 5,211 PSI, MR 51.8 BPM, AP 4,265 PSI, AR 48.7 BPM, ISIP 2,885 PSI,

FG .79 NPI 30 PSI, PMP 2,080 BBLS SLICK WATER & 78,478 LBS 30/50 SAND. LAST 40% OF SAND WAS SAND WEDGE

KILL PLG) RIH W/ 8K BAKER CBP SET @ 5,175' RDMO CUTTERS & HALLIBURTON. ND FRAC VALVES NU BOP'S. PU 3 7/8" BIT & FAST EDDIE POBS & BIG R SEATING NIPPLE. RIH W/ 81 STANDS EOT @ 5,175'. RU POWER SWIVEL. SWI SDFN

11/29/07

DRLG CBP & LAND TBG

Days On Completion: 16

Remarks: 7:00 AM. HSM RU RIG PUMP & BRK CIRCULATION W/ 2% KCL WATER. RIH TAG PLG 1 @ 5,175' C/O 5' OF SAND DRL PLG IN 10 MIN 0 PSI INCREASE. RIH TAG PLG 2 @ 5,612' C/O 20' OF SAND DRL PLG IN 10 MIN 50 PSI INCREASE. RIH TAG PLG 3 @ 6,782' C/O 40' OF SAND DRL PLG IN 10 MIN 100 PSI INCREASE. RIH TAG PLG 4 @ 7,328' C/O 20' OF SAND DRL PLG IN 10 MIN 50 PSI INCREASE. RIH TAG PLG 5 @ 7,622' C/O 30' OF SAND DRL PLG IN 10 MIN 100 PSI INCREASE. RIH TAG PLG 6 @ 8,448' C/O 30' OF SAND DRL PLG IN 10 MIN 100 PSI INCREASE. RIH TAG PLG 7 @ 8,730' C/O 30' OF SAND DRL PLG IN 10 MIN 200 PSI INCREASE. RIH CO TO 9,019' CIRCULATE WELL CLEAN. POOH LD 36 JTS OF 2 3/8" J-55 4.7# TBG. LAND TUBING W/ 250 JTS OF 2 3/8" J-55 TBG @ 7,851.46' ND BOP'S NU WH. DROP BALL TO SHEAR OFF BIT @ 1,800 PSI. SWI FOR 30 MINUTES TO LET BIT FALL TO BOTTOM. TURN WELL OVER TO FLOW TESTERS. SDFN

290 JTS OUT BOUND

250 JTS LANDED

40 JTS LANDED

12/01/07 **FLOWBACK REPORT:** CP 2350#, TP 2025#, CK 20/64", 38 BWPH, LOAD REC'D 2071 BBLS, LLTR 8063 BBLS

12/02/07 **FLOWBACK REPORT:** CP 2150#, TP 1400#, CK 20/64", 20 BWPH, LOAD REC'D 2741 BBLS, LLTR 7393 BBLS

12/06/07 **WENT ON SALES:** @ 4:00 PM, 3000 MCF, 2650 TBG, 3000 CSG, 16/64 CK, ? BBWH

12/08/07 **ON SALES:** 1663 MCF, 0 BC, 480 BW, TP: 358#, CP: 2141#, 16/64 CHK, 24 HRS, LP: 180#.

12/09/07 **ON SALES:** 1695 MCF, 0 BC, 480 BW, TP: 356#, CP: 2071#, 16/64 CHK, 24 HRS, LP: 180#.

12/10/07 **ON SALES:** 1704 MCF, 0 BC, 420 BW, TP: 353#, CP: 2035#, 16/64 CHK, 24 HRS, LP: 180#.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

5. Lease Serial No.

UTU-01195

1a. Type of Well ☐ Oil Well ☒ Gas ☐ Dry Other
b. Type of Completion: ☒ New ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

2. Name of Operator

KERR-MCGEE OIL & GAS ONSHORE LP

3. Address

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3a. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Report locations clearly and in accordance with Federal requirements)*

At surface

SE/SE 413'FSL, 281'FEL

At top prod. interval reported below

At total depth

14. Date Spudded

07/31/07

15. Date T.D. Reached

09/25/07

16. Date Completed

☐ D & A ☒ Ready to Prod.
12/06/07

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
UNIT #891008900A NBU UNIT

8. Lease Name and Well No.

NBU 1022-6P-4

9. API Well No.

4304738527

10. Field and Pool, or Exploratory
NATURAL BUTTES11. Sec., T., R., M., or Block and
Survey or Area SEC. 6, T10S, R22E

12. County or Parish

UINTAH

13. State

UTAH

17. Elevations (DF, RKB, RT, GL)*

5163'GL

18. Total Depth: MD 9072'
TVD19. Plug Back T.D.: MD 9019'
TVD20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

22. Was well cored? ☒ No ☐ Yes (Submit copy)Was DST run? ☒ No ☐ Yes (Submit copy)Directional Survey? ☒ No ☐ Yes (Submit copy)

CBL-CCL-GR, COMP 2, CD, CN, Caliper

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#		2380'		700 SX			
7 7/8"	4 1/2"	11.6#		9072'		1635 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	7851'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5225'	6752'	5225'-6752'	0.34	80	OPEN
B) MESAVERDE	7044'	8967'	7044'-8967'	0.36	216	OPEN
C)						
D)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and type of Material
5225'-6752'	PMP 1686 BBLs SLICK H2O & 60,530# 30/50 OTTOWA SD
7044'-8967'	PMP 10,606 BBLs SLICK H2O & 390,570# 30/50 OTTOWA SD

RECEIVED

JAN 08 2008

DIV. OF OIL, GAS & MINING

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/06/07	12/16/07	24	→	0	1,915	240			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 602# SI	Csg. Press. 1733#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
18/64			→	0	1915	240			PRODUCING GAS WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/06/07	12/16/07	24	→	0	1915	240			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 602# SI	Csg. Press. 1733#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
18/64			→	0	1915	240			PRODUCING GAS WELL

(See instructions and spaces for additional data on reverse side)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	4459' 7032'	7032'			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 5. Core Analysis | 7. Other: | |

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) SHEILA UPCHEGOTitle SENIOR LAND ADMIN SPECIALISTSignature Date 01/02/08

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.